

DEC 18 1996 - 1 15 PM

**DONELAN, CLEARY, WOOD & MASER, P.C.**

ATTORNEYS AND COUNSELORS AT LAW

SUITE 750

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WASHINGTON, D.C. 20005-3934

OFFICE: (202) 371-9500

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December 18, 1996

**RECORDATION NOS. 9026-G AND 9026-H**

Dear Mr. Williams:

On behalf of LPCA Corporation, I submit for filing and recording under 49 U.S.C. § 11301(a) and the regulations applicable thereunder, executed counterparts of two secondary documents, not previously recorded.

1. The first document (to be recorded under Recordation No. 9026-G) is entitled Amendment No. 2 to Lease of Railroad Equipment ("Amendment"), dated as of December 17, 1996 and the parties thereto are as follows:

First Security Bank, National Association  
f/k/a First Security Bank of Utah, National Association  
79 South Main Street  
Salt Lake City, Utah 84111

- LESSOR

Burlington Northern Railroad Company  
f/k/a Burlington Northern Inc.  
2nd Floor  
1700 East Gold Road  
Schaumburg, Illinois 60173-5860

- LESSEE

The said Amendment, among other things, acts to add and take out units subject to the Lease of Railroad Equipment under Recordation No. 9026-B, as amended, and the Amendment should be recorded as "-G" under the same Recordation No. 9026.

The equipment covered by the instant Amendment is 48 Model SD 40-2 locomotives, BN6773-6789, 7800-7819, 7830-7831, 8000-8008 (BN7800-7819 and 7830-7831 formerly marked C&S 930-949 and 960-961).

A short summary of the Amendment to appear in the Surface Transportation Board Index is as follows:

"Amends Lease of Railroad Equipment under Recordation No. 9026-B whereby covers only 48 Model SD 40-2 locomotives."

2. The second document (to be recorded under Recordation No. 9026-H) is entitled Assignment and Assumption Agreement ("Assignment") dated as of December 17, 1996 and the parties thereto are as follows:

RECEIVED  
SURFACE TRANSPORTATION  
BOARD  
DEC 18 1 14 PM '96*Counterpart - A. H. Hansen*

DONELAN, CLEARY, WOOD & MASER, P.C.

Letter to Mr. Williams

Page 2

December 17, 1996

First Security Bank, National Association - ASSIGNOR  
f/k/a First Security Bank of Utah, National Association  
79 South Main Street  
Salt Lake City, Utah 84111

LPCA Corporation - ASSIGNEE  
Suite 2200  
Four Embarcadero Center  
San Francisco, CA 94111

The aforesaid Assignment, among other things, is an assignment by the Assignor to the Assignee of all of its right, title and interest as Owner-Trustee in certain documents listed therein including the Lease of Railroad Equipment under Recordation No. 9026-B, as amended.

The equipment covered by the aforesaid Assignment is the equipment covered by the Lease of Railroad Equipment under Recordation No. 9026-B, as amended, namely as indicated in the above mentioned Amendment.

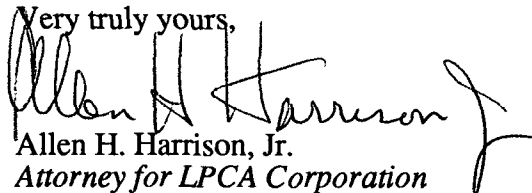
A short summary of the Assignment to appear in the Surface Transportation Board Index is as follows:

"Assignment of all Assignor's interest in listed documents under Recordation No. 9026 which includes the lease document under Recordation No. 9026-B, as amended."

Enclosed is a check in the amount of forty-two dollars (\$42.00) in payment of the filing fees.

Once the filings have been made, please return to bearer the stamped counterpart(s) of the documents not required for filing purposes, together with the letter/fee receipt from the Surface Transportation Board acknowledging the filings, and the two extra copies of this letter of transmittal.

Very truly yours,

  
Allen H. Harrison, Jr.  
Attorney for LPCA Corporation  
for the purpose of this filing.

Honorable Vernon A. Williams  
Secretary  
Surface Transportation Board  
Washington, D.C. 20423  
BY HAND

Enclosures  
8397-020

DEC 18 1996 1 15 PM

## AMENDMENT NO. 2 TO LEASE OF RAILROAD EQUIPMENT

THIS AMENDMENT NO. 2 TO LEASE OF RAILROAD EQUIPMENT (this "Amendment"), dated as of December 17, 1996, is made by and between FIRST SECURITY BANK, NATIONAL ASSOCIATION, formerly known as First Security Bank of Utah, National Association, not in its individual capacity but solely as the Owner-Trustee under the 1977 Trust Agreement defined below and the 1977 Lease defined below (the "1977 Owner-Trustee"), LPCA CORPORATION as successor to the 1977 Owner-Trustee ("LPCA") and BURLINGTON NORTHERN RAILROAD COMPANY, formerly known as Burlington Northern Inc., as Lessee ("Lessee").

Recitals

A The 1977 Owner-Trustee and Lessee are parties to a certain Lease of Railroad Equipment dated as of September 1, 1977 (the "Original Lease"), as amended pursuant to that certain Amendment No. 1 to Lease of Railroad Equipment dated as of February 15, 1996 ("Amendment No. 1"). The Original Lease, as amended pursuant to Amendment No. 1, is referred to herein as the "1977 Lease".

B. LPCA is the sole owner of the beneficial interest in the Trust Estate (herein, the "1977 Trust Estate") created pursuant to, and as defined in, that certain Trust Agreement dated as of September 1, 1977 (the "1977 Trust Agreement") among BWL, Inc., Westinghouse Credit Corporation and Toy National Bank, as Owners, and the 1977 Owner-Trustee. The Units leased to Lessee pursuant to the 1977 Lease are part of the 1977 Trust Estate.

C. LPCA is also the sole owner of the beneficial interest in the Trust Estate (herein, the "1976 Trust Estate") created pursuant to, and as defined in, that certain Trust Agreement dated as of December 30, 1976 (the "1976 Trust Agreement") among Borg-Warner Leasing Corporation and Westinghouse Credit Corporation, as Owners, and First Security Bank, National Association, formerly known as First Security Bank of Utah, National Association, not in its individual capacity but solely as Owner-Trustee (herein, the "1976 Owner-Trustee"). The railroad equipment which comprises the 1976 Trust Estate is subject to that certain Lease of Railroad Equipment dated as of December 30, 1976, as amended pursuant to Amendment No. 1 to Lease of Railroad Equipment dated as of February 15, 1996 (as so amended, the "1976 Lease") between Lessee and the 1976 Owner-Trustee.

D. The 1977 Owner-Trustee, at the request of LPCA, desires to remove certain Units from the 1977 Lease and transfer such Units to the 1976 Lease and to add to the 1977 Lease certain railroad equipment from the 1976 Lease, in conjunction with the sale by LPCA to ATEL Leasing Corporation of all of its beneficial interest in the 1976 Trust Estate (the "Sale").

E. In conjunction with the Sale, LPCA desires to terminate the trusts created pursuant to the 1977 Trust Agreement and assume all rights and obligations of the 1977 Owner-Trustee under the 1977 Lease.

F. Lessee desires to cooperate with the transactions proposed by the 1977 Owner-Trustee and LPCA, all as herein set forth.

NOW THEREFORE, the parties hereto agree to amend the 1977 Lease in accordance with the following terms and conditions:

1. Definitions. Unless otherwise set forth herein, capitalized terms used herein shall have the same meanings given such terms in the 1977 Lease.

2. Amendments.

(a) The term "Owner Trustee" shall refer to LPCA.

(b) The locomotives set forth on Schedule 1 hereto, which are presently in the possession of Lessee as locomotives leased to Lessee pursuant to the 1976 Lease, shall hereafter become Units subject to the 1977 Lease, pursuant to a Bill of Sale dated the date hereof delivered by the 1976 Owner Trustee to the 1977 Owner Trustee and this Amendment, as if such Units had been subject to each and every provision of the 1977 Lease since first received by Lessee under the 1976 Lease, assuming the 1977 Lease had been in effect at such time.

(c) The locomotives set forth on Schedule 2 hereto, which are presently Units under the 1977 Lease, shall hereafter be subject to the 1976 Lease, pursuant to a Bill of Sale dated the date hereof delivered by the 1977 Owner Trustee to the 1976 Owner Trustee and an amendment to the 1976 Lease to be entered into by Lessee and the 1976 Owner-Trustee simultaneously with this Amendment (the "1976 Lease Amendment"), as if such locomotives had been subject to each and every provision of the 1976 Lease since first received by Lessee under the 1977 Lease.

(d) Immediately following the execution of this Amendment and the 1976 Lease Amendment and delivery of the executed Bills of Sale referred to in the preceding clauses (b) and (c), the locomotives leased to Lessee pursuant to the 1977 Lease, as amended by this Amendment, shall be the locomotives set forth on Appendix A hereto.

(e) Section 11, Maintenance, is hereby amended by addition of the following paragraph at the end thereof:

"Lessee agrees that during the Extended Term, as defined in Amendment No. 1, it shall perform a "Class II Overhaul" the definition of which is set forth on Exhibit B hereto, on each of thirteen (13) SD 40-2s at Lessee's

facilities and at Lessee's expense. The SD 40-2s scheduled for such overhauls are as follows: BN 6774, 6779, 6780, 7802, 7803, 7804, 7809, 7810, 7813, 7817, 7830, 8001, and 8003 (each a "Class II Overhaul Unit"). Lessee shall have the right, at its sole discretion, to replace the Class II Overhaul Unit which has accumulated the lowest mileage since its last overhaul with any other SD 40-2 from the Units set forth on Schedule 1 hereto which: 1) suffers a catastrophic engine failure or fire damage, the cost of repair of either of which would exceed the Casualty Value of such SD 40-2, or 2) suffers a catastrophic engine failure or fire damage, the cost of repair of either of which does not exceed the Casualty Value of such SD 40-2 if such SD 40-2 has accumulated at least 500,000 miles since its last overhaul, (any Unit described in 1) or 2) above being referred to as a "Substituted Unit"). Lessee agrees to give Owner Trustee and Owner written notice that a Class II Overhaul Unit has been replaced by a Substituted Unit. Lessee agrees that the Class II Overhaul performed on any Substituted Unit shall include renewal of a minimum of eight power assemblies, renewal of main bearings, turbocharger and water and oil pumps and qualification of the governor. Lessee shall notify Owner Trustee and Owner 7 days in advance of any Class II Overhaul. Owner Trustee and Owner shall have the right to inspect any Class II Overhaul Unit or Substituted Unit during such overhaul process. Lessee agrees that it shall perform the Class II Overhaul on each Class II Overhaul Unit and any Substituted Unit to the reasonable satisfaction of Owner. Notwithstanding anything to the contrary set forth elsewhere in this Lease, including without limitation the return condition for the Units set forth in Section 17 of the 1977 Lease as amended by this Amendment No. 2, which shall otherwise remain in full force and effect, Lessee shall not be required to perform an overhaul on any Unit other than the Class II Overhaul Units or any Substituted Unit as provided above."

(f) "Exhibit B to Lease of Railroad Equipment" set forth as Exhibit A hereto is hereby added to the 1977 Lease as Exhibit B thereto. Appendix A to the 1977 Lease is hereby deleted and replaced by Appendix A hereto.

3. Agreement to be Bound. LPCA agrees to be bound, as the "Owner Trustee", as defined in the 1977 Lease, by each of the terms and provision of the 1977 Lease, as amended by this Amendment No. 2. Lessee agrees to perform all obligations due under the 1977 Lease, as amended by this Amendment No. 2. to the Owner Trustee to LPCA, as successor to the Owner Trustee, and to remit to LPCA, at the address for payments set forth on Schedule 3 hereto, all payments due the Owner Trustee under the 1977 Lease, as amended by this Amendment No. 2.

4. Representations of Lessee. Lessee represents to the 1977 Owner-Trustee that the 1977 Lease is in full force and effect. There is or has been no Event of Default under the 1977 Lease nor has Lessee given or, to Lessee's knowledge, received, written notice of any event which with the passage of time would result in an Event of Default.

5. Effectiveness. The amendments set forth in Section 2 hereof, the agreements in Section 3 hereof, and the representations of Lessee in Section 4 hereof shall become effective upon the closing of the Sale.

6. Full Force and Effect. Except as otherwise expressly set forth in this Amendment No. 2, the 1977 Lease shall continue in full force and effect.


7. Counterparts. This Amendment No. 2 may be executed in counterparts each of which will constitute an original and all of which when taken together will constitute one and the same Amendment No. 2.

8. Governing Law. This Amendment No. 2 shall be governed by the laws of the State of Minnesota.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first above written.

FIRST SECURITY BANK, NATIONAL  
ASSOCIATION, not in its individual  
capacity but solely as Owner-Trustee

By:   
Title: **Assistant Vice President**

LPCA CORPORATION

By: \_\_\_\_\_  
Title:

BURLINGTON NORTHERN RAILROAD  
COMPANY

By: \_\_\_\_\_  
Title:

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first above written.

FIRST SECURITY BANK, NATIONAL  
ASSOCIATION, not in its individual  
capacity but solely as Owner-Trustee

By: \_\_\_\_\_  
Title:

LPCA CORPORATION

By: Thomas C. Nod  
Title:

BURLINGTON NORTHERN RAILROAD  
COMPANY

By: \_\_\_\_\_  
Title:



IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first above written.

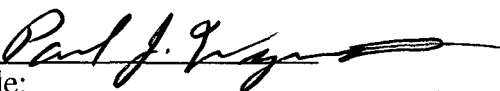
FIRST SECURITY BANK, NATIONAL  
ASSOCIATION, not in its individual  
capacity but solely as Owner-Trustee

By: \_\_\_\_\_  
Title:

LPCA CORPORATION

By: \_\_\_\_\_  
Title:

BURLINGTON NORTHERN RAILROAD  
COMPANY

By:   
Title: **PAUL J. WEYANDT**  
Assistant Vice President - Finance

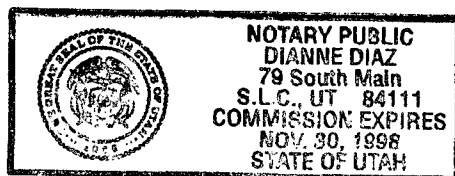
STATE OF UTAH

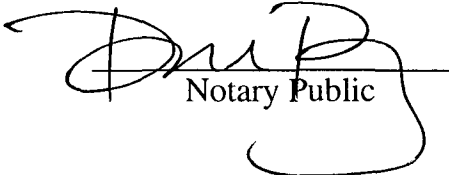
COUNTY OF SALT LAKE

)  
) ss.:  
)

On this 13<sup>th</sup> day of December, 1996, before me personally appeared Brett King, to me personally known, who being by me duly sworn, says that he/she is a Asst. Vice President of First Security Bank, National Association, that the foregoing instrument was signed and sealed on behalf of said banking association by authority of its Board of Directors, and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of said banking association.

[Notarial Seal]



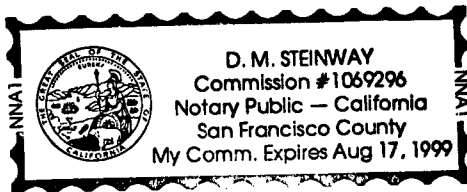
  
Notary Public


My Commission expires \_\_\_\_\_.

STATE OF CALIFORNIA            )  
  )  
COUNTY OF SAN FRANCISCO    )    ss.:

On this 13th day of December, 1996, before me personally appeared Thomas C. Nord, to me personally known, who being by me duly sworn, says that he is a Vice President of LPCA Corporation, that the foregoing instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

[Notarial Seal]

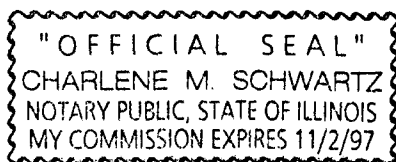


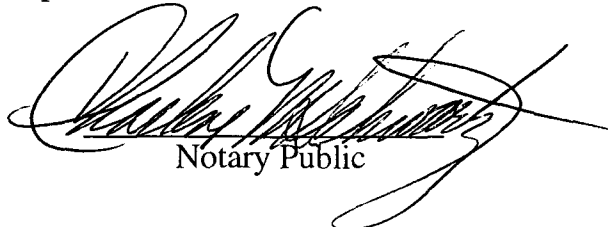
  
\_\_\_\_\_  
Notary Public

My Commission expires 8/17/99.

STATE OF Illinois )  
COUNTY OF Cook ) SS.:

On this 13<sup>th</sup> day of December, 1996, before me personally appeared Paul J. Heyandt, to me personally known, who being by me duly sworn, says that he/she is an AVP-Finance of Burlington Northern Railroad Company, that the foregoing instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



  
Notary Public

[Notarial Seal]

My Commission expires 11-2-97.

SCHEDULE 1  
to Amendment No. 2

<u>Type</u>	<u>Builder</u>	<u>Quantity</u>	<u>Road Numbers</u>
SD 40-2	EMD	39	BN 6773-6780, 7800-7819, 7830-7831, 8000-8009  (BN 7800-7819 and 7830-7831 formerly marked C&S 930-949 and 960-961)

SCHEDULE 2  
to Amendment No. 2

<u>Type</u>	<u>Builder</u>	<u>Quantity</u>	<u>Road Numbers</u>
C-30-7	GE	14	BN 5530-5531, 5533-5544

SCHEDULE 3  
to Amendment No. 2

PAYMENT INSTRUCTIONS

All payments by wire transfer to:

First National Bank of Chicago  
Chicago, IL  
ABA #: 071000013  
Account: GATX Capital  
Account #: 5247209

APPENDIX A  
to Amendment No. 2 and Lease

<u>Type</u>	<u>Quantity</u>	<u>Lessee's Road Numbers (Both Inclusive)</u>
3,000 hp Model SD 40-2 diesel-electric locomotives	48	BN 6773-6789, 7800-7819, 7830-7831, 8000-8008  (BN 7800-7819 and 7830-7831 formerly marked C&S 930-949 and 960-961)



EXHIBIT A  
to Amendment No. 2

Exhibit B  
To Lease of Railroad Equipment  
Class II Overhauls

January 23, 1996

Subject: GATX Locomotive Lease Renewal and Class overhaul on subject locomotives

The following work is to be done on the following thirteen locomotives at time of Class II Overhaul, per the lease agreement.

BN 6774 has 707,024 miles since class repair. Renew all power assemblies except 3-6-7-10-11-12-13-14-15-16. Renew mains and water/oil pumps. Qualify governor.

BN 7830 has 599,622 miles since class repair. Renew all power assemblies except 2-3-4-5-6-10-12-15-16. Renew mains and water/oil pumps. Qualify governor.

BN 6779 has 686,142 miles since class repair. Renew all power assemblies except 1-2-4-10-15-16. Renew mains, water/ oil pumps and turbo. Qualify governor.

BN 6780 has 651,105 miles since class repair. Renew all power assemblies except 7-8-10-12-15-16. Renew mains, water/oil pumps and turbo. Qualify governor.

BN 7802 has 645,904 miles since class repair. Renew all power assemblies except 1-2-3-5-6-8-9-10-11-13-15-16. Renew mains and water/oil pumps. Qualify governor.

BN 7803 has 685,634 miles since class repair. Renew all power assemblies except 8-12-14. Renew mains , water/oil pumps and turbo. Qualify governor.

BN 7804 has 648,292 miles since class repair. Renew all power assemblies except 5-6. Renew mains, turbo and water/oil pumps. Qualify governor.

BN 7809 has 617,533 miles since class repair. Renew all power assemblies except 1-2-10-11-14-15-16. Renew mains, water/oil pumps. Qualify governor.

BN 7810 has 636,327 miles since class repair. Renew all power assemblies except 1-2-6-13. Renew mains, water/oil pumps and turbo. Qualify governor.

BN 7813 has 714,177 miles since class repair. Renew all power assemblies except 8-9-12-13. Renew mains, water/oil pumps and turbo. Qualify governor.

BN 7817 has 635,623 miles since class repair. Renew all power assemblies except 1-7-15. Renew mains, water/oil pumps and turbo. Qualify governor.

BN 8001 has 681,183 miles since class repair. Renew all power assemblies except 1-2-3-4-5-6-7-8-9-10-11-12. Renew mains, water/oil pumps and turbo. Qualify governor.

BN 8003 has 610,647 miles since class repair. Renew all power assemblies except 8. Renew mains, water/oil pumps. Qualify governor.

The following 14 GE locomotives will not have the class overhaul performed per lease agreement.

BN 5530  
BN 5531  
BN 5532  
BN 5533  
BN 5534  
BN 5535  
BN 5536  
BN 5537  
BN 5538  
BN 5539  
BN 5540  
BN 5541  
BN 5542  
BN 5543  
BN 5544

J.L. Wilson  
Manager Mechanical